

**WASHOE COUNTY COMMISSION
RENO CITY COUNCIL
SPARKS CITY COUNCIL**

TUESDAY

9:00 A.M.

OCTOBER 15, 2002

JOINT MEETING

PRESENT:

Pete Sferrazza, Washoe County Commission, Chairman
Joanne Bond, Washoe County Commission, Vice Chairman

Jim Galloway, Washoe County Commission

Jim Shaw, Washoe County Commission

Dave Rigdon, City of Reno, Vice Mayor*

Dave Aiazzi, Reno City Councilmember

Toni Harsh, Reno City Councilmember

Pierre Hascheff, Reno City Councilmember

Jessica Sferrazza, Reno City Councilmember

Phillip Salerno, City of Sparks, Vice Mayor

Geno Martini, Sparks City Councilmember

John Mayer, Sparks City Councilmember

Ron Schmitt, Spark City Councilmember

ABSENT:

Ted Short, Washoe County Commission

Jeff Griffin, City of Reno, Mayor

Sherrie Doyle, Reno City Councilmember

Tony Armstrong, City of Sparks, Mayor

Mike Carrigan, Sparks City Councilmember

The Board and Councils met in joint session at the Washoe County Administration Complex, 1001 East Ninth Street, Reno, Nevada. Also present were Washoe County Manager Katy Singlaub, Deputy District Attorney Paul Lipparelli, County Clerk Amy Harvey, Reno City Manager Charles McNeely, Chief Deputy Reno City Attorney Randall Edwards, Reno Acting City Clerk Lynnette Jones, Sparks City Manager Shaun Carey, and Sparks Deputy City Clerk Lenda Azcarate. Following the Pledge of Allegiance to the flag of our Country, the Clerks called the rolls for their respective entities, and the Board and Councils conducted the following business:

02-1061 **AGENDA**

In accordance with the Open Meeting Law, on motion by Commissioner Bond, seconded by Councilmember Aiazzi, which motion duly carried, Chairman Sferrazza ordered that the agenda for the Joint Meeting of the Reno and Sparks City Councils and the Washoe County Commission for October 15, 2002 be approved with the following amendment: Delete – Item 9 concerning status report on the Regional Plan lawsuit.

PUBLIC COMMENTS

Shirley Allen, local resident, recommended everyone read the book, *The Venona Secrets*.

Sam Dehne, Reno resident, said good government would demand that all citizens speak on agenda items whenever they want to, but Reno City Council implemented a new policy squelching citizen input. He further said if the person requesting to speak is a friend of a Councilmember they are allowed to speak, but he is not. He asked why Reno is so cowardly.

Jack Keeper, Reno resident, stated he has concerns about the Regional Plan settlement. He said he is very disappointed there was not more input from planning agencies such as water, the School District, the Regional Transportation Commission, and other groups that might be impacted by the Regional Plan. Mr. Keeper further stated he feels little consideration was given to the concerns of citizens regarding sprawl and preservation of the character of communities. He also said zoning, land use, and lack of water should be considered in deliberations of the final settlement agreement.

Gary Schmidt, Washoe County resident, said he has been active for the last several years in local governments' failures concerning its responsibilities and obligations under NRS 239, which relates to public records. He advised the Reno and Sparks City Councils that public records are to be provided to the public at actual cost to the governmental entity. The Attorney General's Office and Court ruled actual cost to mean the cost of ink and paper. He further said Washoe County researched its actual cost and it was calculated to be four cents per page. Mr. Schmidt stated there was also a recent Supreme Court ruling entitling him to reasonable attorney's fees for being denied public records, even though the denial was innocent or by error. Lastly, he said the Attorney General's Office opined on August 27, 2002 that only a State or Federal law, not a local law, could make a record confidential.

MINUTES

In answer to Councilmembers' and Commissioners' questions, Chairman Sferrazza said at the last joint meeting it was ruled that a Councilmember or Commissioner did not have to be present at a meeting to vote on approval of that meeting's minutes. Councilmember Salerno said as long as the absentee reviewed the

minutes, they could vote on them. Chief Deputy Reno City Attorney Randall Edwards said he had no objections with the entities voting as one body.

On motion by Councilmember Aiazzi, seconded by Commissioner Bond, which motion duly carried with Commissioner Short, Mayor Griffin, Councilmember Doyle, Councilmember Rigdon, Mayor Armstrong, and Councilmember Carrigan absent, Chairman Sferrazza ordered that the minutes of the July 16, 2002 and August 20, 2002 joint meetings be approved.

02-1062 TAX CAP – LOCAL TAX RATES – POTENTIAL AGREEMENTS – FINANCE

John Sherman, Washoe County Finance Director, reviewed a staff report dated October 9, 2002, which was placed on file with the County Clerk. He said that under NRS 361.457 there are constraints concerning tax rate adjustments among jurisdictions. He further said two cities cannot enter into an agreement whereby one city lowers its property tax rate, the county increases its tax rate, and the county then gives that increase to the second city that would have lost money by lowering its rate to remain under the \$3.64 tax cap; this would be considered a “buy down” and is illegal. Mr. Sherman stated another cap under the \$3.64 cap is the six percent growth factor, which entitles an incremental increase in an entity's allowed rate, and whether the entity imposes that increase is their decision. He also stated the school districts are statutorily confined to a 75-cent operating rate and this cannot go up or down unless changed by the State Legislature.

Mr. Sherman explained that any local government that wants to go to the voters for a voter approved override must first go to the Debt Management Commission (DMC) to receive approval for that override to be placed on a ballot. He said the DMC has authority to place questions on a ballot and the structure of the questions relative to the \$3.64 cap, but once placed on a ballot, or the jurisdiction exercises its authority to adjust rates, causing the combined rates to go over \$3.64, the DMC has no further role. Actions causing combined rates to exceed \$3.64 go through a process outlined under NRS 361.455. This process is explained in the staff report, which was placed on file with the County Clerk. Mr. Sherman further explained that final budgets are done independently of one another, and approved budgets then go to the Nevada Department of Taxation. The Department of Taxation gathers the information, particularly as it relates to property taxes, and computes the combined rate that overlaps all the different areas within a county. If any one of the combined rates exceeds \$3.64, the Department of Taxation notifies the local governments, and the County Commission Chairman is required to call a meeting no later than June 13 of that year. He further stated there is a hierarchy of components relating to the tax rate that cannot be adjusted, beginning with the School District, all debt levies, and voter approved property tax debt. It may be that only the operating rate is adjustable.

Councilmember Aiazzi requested that the attorneys research the structuring of an agreement concerning the County taking over road maintenance in the

Cities, enabling the Cities to free up money for other things. Mr. Sherman advised that he was aware of cases whereby an underlying jurisdiction lowered its tax rate, and the larger jurisdiction increased its tax rate in order to raise money to perform services to only the jurisdiction that lowered its rate, and that was considered a buy down. He said these cases illustrate it does not merely need to be a transfer of money. The qualifier in NRS is to affect a tax rate adjustment to get the combined tax rate under \$3.64, and if no jurisdiction is adjusting its taxes, it should be acceptable. Andrew Green, City of Reno Finance Director, agreed that as long as the benefit is County wide, there should not be a problem structuring an interlocal agreement for road maintenance. Councilmember Hascheff said he sees other opportunities the Cities and County should be taking advantage of concerning regional services that the County could provide County wide, and asked that staff report back in December on some services that might be regionalized. Councilmember Aiazzi stated he agrees with this type of consolidation and said the State and the League of Cities' proposed legislation, asking to increase the tax cap to allow for more funding abilities underneath it, would negate the need for cooperation among the local entities to find innovative ways to save taxpayer money. Chairman Sferrazza stated he has previously spoken against raising the cap as he feels a pledge was made to the voters in 1981 to honor the \$3.64 cap. Commissioner Galloway said he supports consolidating services to gain efficiency and to work under the existing cap.

Commissioner Shaw made a motion directing staff to try to find additional areas of cooperation using the animal control services and jail consolidations as models. Councilmember Hascheff seconded the motion.

Councilmember Schmitt stated the City of Sparks' staff and League of Cities are working to find the cause of entities closing in on the \$3.64 cap, and why property tax revenues are decreasing. He said there needs to be legislation that would address the issue all together and not just the property cap. Councilmember Mayer stated staff should watch legislation very carefully concerning the property tax cap, and that if the State wants to impose more property tax, the increase be excluded from the \$3.64 cap. Commissioner Galloway said another danger is that the State would cut its expenses by ceasing current funding on certain items and forcing that burden on the local governments. Commissioner Bond said the State might try to do both.

On call for the motion, the motion duly carried with Commissioner Short, Mayor Griffin, Councilmember Doyle, Councilmember Rigdon, Mayor Armstrong, and Councilmember Carrigan absent, and Chairman Sferrazza ordered that staff be directed to research potential additional areas of cooperation using the animal control services and jail consolidations as models.

02-1063 DISCUSSION – BASEBALL STADIUM

Councilmember Harsh advised that the City of Reno has spent approximately \$80,000, not including staff time, researching the potential of baseball returning to the area. She stated the City has positioned itself to possibly acquire land for the purpose of building a baseball stadium and multi-purpose facility, and asked if any of

the entities present had concerns or objections to the City continuing its research. Chairman Sferrazza said he did not think the public should subsidize a private business. Commissioner Galloway stated his concern is that there is a hierarchy of priorities for government and necessities are top priority, then public recreation, such as public golf courses, that do not subsidize a professional group. He further stated he would honor a vote by the public. Councilmember Harsh agreed with necessities taking priority, but as it was discussed at last week's Reno City Council meeting, she sees great potential with baseball attracting redevelopment. Commissioners Bond and Galloway said the County has not entered exclusive negotiations concerning baseball. Councilmember Sferrazza said she does not support using taxpayer dollars to subsidize baseball and Commissioner Shaw stated he does not think it should be pursued unless a baseball team steps forward.

Sam Dehne, Reno resident, said the most critical point to come out of the preceding discussion was that Reno City Council discussed this last week and did not allow public input. He stated if a baseball stadium in Northern Nevada was a great idea, then baseball teams, which are private enterprises, would be coming to the area and speaking to these entities and the public. He also said the team should be leading the way, not the City.

Gary Schmidt, Washoe County resident, stated he supports pursuing the possibility of building a ball park in the greater Truckee Meadows community, but that it should be a joint effort between the Cities of Sparks and Reno and that other locations, away from downtown Reno, should not be ruled out. He feels somewhere off of 4th Street and Interstate 80, between Virginia Street and Victorian Square, should be considered, as that would ensure redevelopment of 4th Street. He said a ballpark needs freeway access and visibility. He further stated the future of the Truckee Meadows does not lie in casinos or gaming. Mr. Schmidt also said he does not think anything should ever be built unless it is voted on, and he does not see the difference between spending taxpayer dollars on Ballardini Ranch or a baseball park.

***10:15 a.m. Councilmember Rigdon arrived at the meeting.**

**02-1064 LEGISLATIVE ISSUES – MEMORANDUM OF
UNDERSTANDING TO PROMOTE LEGISLATIVE
COOPERATION AMONG LOCAL JURISDICTIONS**

Patty Rogers, Regional Planning Community Outreach Assistant, said the Memorandum of Legislative Cooperation By and Among the City of Reno, City of Sparks, Regional Planning Governing Board, Regional Transportation Commission, Washoe County, and Washoe County School District, (known as the Memorandum of Understanding "MOU"), which was placed on file with the County Clerk, was circulated, and feedback was received from the affected entities and local governments. She stated the Regional Planning Governing Board (RPGGB) voted on the MOU at their October 10, 2002 meeting.

Commissioner Galloway made a motion to approve the MOU as presented and Councilmember Mayer seconded the motion.

Sam Dehne, local resident, said he highly recommends cooperation among the local jurisdictions, but it is difficult to dictate.

For the record, Councilmember Aiazzi stated that the RPGB barely had a quorum at their October 10 meeting. He also said approval of this MOU does not mean changes cannot be made later. He stated item 4 of the MOU would be on the RPGB's next agenda.

On call for the motion, the motion passed unanimously with Commissioner Short, Mayor Griffin, Councilmember Doyle, Mayor Armstrong, and Councilmember Carrigan absent, and Chairman Sferrazza ordered that the Memorandum of Legislative Cooperation By and Among the City of Reno, City of Sparks, Regional Planning Governing Board, Regional Transportation Commission, Washoe County, and Washoe County School District be approved.

02-1065 INFRASTRUCTURE SALES TAX – FLOODWALL – TRUCKEE RIVER

Paul Urban, Flood Control Manager, Washoe County Department of Water Resources, reviewed staff reports, which were placed on file with the County Clerk. He explained the Mid-Block project is the north side of the Truckee River across Sierra Street at 1st Street and there is a development agreement on the property. The City of Reno is working with the Nevada Department of Transportation to make it an Intermodal Surface Transportation Efficiency Act (ISTEA) project, which would include rebuilding Truckee River Lane behind the missing floodwall.

Mr. Urban said the flood project has identified all the floodwalls as needing to be replaced, but specifically this segment at the Mid-Block project because it is not high enough and it is structurally unstable. He stated that Reno Redevelopment asked the County to cooperate with them in determining if there was a way to build the floodwall as part of the U.S. Army Corps of Engineers (Corps) project prior to the Corps building the rest of the project. He further stated it would make sense to do the project at the same time the area behind the floodwall would be disturbed for development of the property and bikeway. Mr. Urban also said Reno Redevelopment has been working with the Corps to develop a Section 104 Agreement (Agreement) between the two entities. He explained that the Agreement provides that if you build a certain segment of a flood control project, the Corps would recognize the money spent on it as part of the local contribution, but Congress first needs to authorize the flood control project. He said the Agreement is quite far along as it has been drafted in the Sacramento District Office, reviewed by the San Francisco Division Office, and is now in the National Headquarters Office of the Corps waiting for the General's signature, which is expected within the next few weeks.

10:30 a.m. Councilmember Aiazzi left the meeting.

Mr. Urban advised that the County determined the 1/8-cent infrastructure sales tax could be used for reconstruction of this floodwall, contingent upon Reno receiving the Section 104 Agreement and obtaining a reasonable and acceptable bid.

Mr. Urban stated the flood project Steering Committee has been asked to develop an evaluation process to assess projects that may want to use flood money ahead of the flood project, including the early purchase of land. The Steering Committee then directed staff to set up a priority list of projects that have potential to use early funds that may benefit the project and save money. He further stated these evaluations would be brought back to these entities in November as well as to the Steering Committee. The Steering Committee would make a recommendation as to whether or not the floodwall should be funded, and if it has priority above some land issues. Once the Steering Committee has made its recommendations, those would be presented to the Executive Committee, which consists of the Managers of the County and Cities, then to the Board of County Commissioners. Commissioner Galloway expressed concern over doing projects in advance as it might rule out other projects that arise.

Mr. Urban explained that the area of the river through downtown is the most constricted and does not have as many options to correct the constriction. All alternatives that are being evaluated in the environmental impact studies include replacement of this floodwall, except the no build alternative. He stated that putting culverts along the sides of bridges has very little affect on water levels, and the main objective is to increase the flow area at the Virginia Street bridge. Because of the arches in the river at that location, there is not enough flow area for water to go through. Mr. Urban explained the pros and cons of adding a span similar to the two existing spans, versus building a new bridge that would span the entire channel.

Mr. Urban said funding would consist of 45 to 48 percent local funds and the remaining federal funds, and the local jurisdictions are responsible for all the land. He stated sales tax would be providing most of the local share of funds and it is not anticipated there would be any private development that would build part of this project.

John Sherman, Washoe County Finance Director, said two critical issues exist concerning early funding:

- 1) The funding model assumes a certain amount of interest income up to the point in time the project starts, 2004 to 2005, and if something is done earlier, that might reduce the interest income, but the work might be done more cost effectively; and
- 2) The Corps evaluates an entire project, not a single feature at a time.

Mr. Urban said it is mostly a vacant lot where this floodwall is anticipated, and that makes early building desirable so as to get ahead of the project and build it one time rather than building a bike trail, potentially destroying it, and then rebuilding. He

further explained that the wall is currently eight to nine feet lower than it needs to be, especially at the middle of the block. The proposed development would be one to one and a half feet higher than the existing ground level. The existing walkway would be nine to ten feet below the proposed development, which would require raising the grade to allow people access to the business. He said the grade cannot be raised without raising the wall, and the wall is not structurally adequate for a floodwall; thus, the reasoning behind combining the projects.

10:50 a.m. Councilmember Salerno left the meeting.

Councilmember Harsh said this needs to be a clear, well thought out project, and not single components at a time.

10:55 a.m. Councilmember Martini left the meeting and Sparks no longer had a quorum.

In answer to Councilmember Schmitt's concerns, Mr. Urban said the entire area through Sparks would be protected with either levees or floodwalls and the difference between downtown Reno and Sparks right now is that Sparks has no proposed developments along the area. He further said the total flood project would continue through its process, hopefully being authorized by Congress in 2004, funded, and construction beginning as soon as 2005. That plan includes the industrial area of Sparks. Councilmember Schmitt agreed that the whole project should be taken into consideration rather than isolating one portion.

Donna Kristaponis, Reno Assistant City Manager, said there is the potential to lose the proposed development project.

The Councilmembers and Commissioners requested that more specific information and alternative options be brought back to these entities in November.

Sam Dehne, Reno resident, said he is in favor of the flood protection project and not in favor of the railroad trench scheme.

JOINT MEETING AGENDA – NOVEMBER 2002

On motion by Councilmember Rigdon, seconded by Councilmember Hascheff, which motion duly carried with Commissioner Short, Mayor Griffin, Councilmember Doyle, Councilmember Aiazzi, Mayor Armstrong, Councilmember Carrigan, Councilmember Martini, and Councilmember Salerno absent, Chairman Sferrazza ordered that Parks consolidation, status report on Tiburon, status report on Noise Ordinance, status report on Consolidation Study items, standing lawsuit item (if necessary), legislative issues, Truckee River Flood Control Project and its related issues, and status report on the Municipal Court/District Attorney Facility be on the November 2002 agenda, with the Truckee River Flood Control Project and its related issues first,

and the status report on the Municipal Court/District Attorney Facility last, on the agenda.

Gary Schmidt, Washoe County resident, criticized the train trench.

There being no further business to come before the Boards, the meeting adjourned at 11:25 a.m.

ATTEST:

PETER J. SFERRAZZA, Chairman
Washoe County Commission

AMY HARVEY, County Clerk
and Clerk of the Board of
County Commissioners

ATTEST:

DAVID AIAZZI, Vice Mayor
City of Reno

LYNNETTE R. JONES, Acting
City Clerk, City of Reno

ATTEST:

TONY ARMSTRONG, Mayor
City of Sparks

DEBORINE J. DOLAN, City Clerk
City of Sparks

*Minutes prepared by
Melissa M. Ayrault, Deputy County Clerk*